

MR. RAINVILLE

ROBOTYPE ST. LAWRENCE SEAWAY (LATEST)

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United States Senate

COMMITTEE ON
RULES AND ADMINISTRATION

March .., 1952

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Dear:

In response to your communication, I am enclosing a recent statement which I prepared setting forth my views with respect to the St. Lawrence Seaway.

Let me assure you that I do appreciate your views on this matter.

Sincerely,

Everett McKinley Dirksen

Enclosure

ST. LAWRENCE SEAWAY

There is presently pending before Congress a number of proposals to improve and deepen the St. Lawrence River in order to convert it into a 2700 mile Seaway with a navigable depth of 27 feet. Other proposals are under consideration to make it 30 feet or 35 feet in depth. In addition, the project contemplates either now or in the future, the development of power facilities and the improvement of Great Lakes harbors to conform to the Seaway.

The project is not new. It is nearly 125 years ago that a Canadian official named John Young first suggested this improvement and since that time there have been a host of proposals dealing with this matter.

The most important of these first came to attention in 1895 when a Waterways Commission consisting of members from Canada and the United States explored and reported on the feasibility of the project. Since that time, other groups, official and unofficial, have investigated and studied not only the navigation aspects of the matter but the power possibilities as well.

It was fully appreciated that the development of a joint, long-time project of this kind involving substantial sums of money could be properly undertaken only if the matter was covered by treaty and to that end a treaty proposal was presented to the United States Senate 20 years ago, but the Senate refused ratification. In 1934, a second attempt was made to secure ratification of a treaty with Canada, but again the Senate withheld its assent.

Since then, proponents of the Seaway have sought by a kind of executive action to move the proposal forward on a piecemeal basis. In fact, an executive agreement was signed by Canada and the United States in 1941 creating a Commission to proceed with this development. It was quite clear, however, that this agreement required implementing legislation, and to that end a number of bills were introduced in both branches of Congress, all of which are now pending.

After taking 1600 pages of testimony, the House Committee on Public Works refused to take further action on this legislation and there the matter stands at the present time. An effort is presently under way in a Senate Committee to have one of the Seaway bills reported, but no affirmative action has been taken as this report is made.

There is, of course, sharp controversy on this subject, and it is certain that all arguments on both sides will be fully ventilated.

In a general way, the proponents for immediate action contend that the Seaway is (1) necessary to an adequate national defense, (2) that it is necessary to bring iron ore from Labrador and other points to the Great Lakes mills when our own ore supply begins to fail, (3) that there is an existing power shortage in the Northeastern

area which can be met by the power development incident to the improvement of this watercourse, (4) that the advantages of lower transportation rates will benefit every segment of our economic life, (5) and that it will bring world markets closer to America and American markets closer to the world. In addition, the general contention is advanced that both Republican and Democratic Presidents in the last 50 years have advocated the completion of this project.

I have expressed opposition to the project for the following reasons: (1) If the St. Lawrence Seaway did have defense value, such value could not be utilized for a decade because completion would require that much time. But even the defense value might be deemed dubious in view of its vulnerability to air attack in an exposed section of the hemisphere. (2) A Seaway that would accommodate American shipping would require a 35 foot depth and the cost would be infinitely greater than for a 27 foot channel. The valid point is made that a 27 foot channel would preclude most American shipping and supply the bulk of the advantage to the bottoms of other countries at our expense. (3) Regardless of the depth of the channel, the cost will be enormous at a time when the country faces continuing deficits, a debt of 270 billion, and an annual budget that is already bringing groans from the taxpayers. At a time when Congress is on a genuine economy hunt and is carefully examining every irrigation, reclamation, flood control and navigation project, why should it further burden the budget with this proposal. At this point it might be observed that Presidents who in the past 50 years have approved this project, were at no time confronted with a fiscal burden like that which now faces this nation. (4) Tonnage estimates to establish the self-liquidating character of the project are mere conjectures at best, and there is good reason to doubt that tonnage charges from the waterway will amortize the investment and heavy maintenance costs which are inevitable. (5) Icing conditions over the course of the waterway would make it unavailable for 4 months or more in the year. This fact, quite aside from channel depth, would deter the use of the Seaway for first class liner service, because such liners must be reasonably sure of remunerative employment the year around. (6) The lure of reduced freight rates does not take into account that for an indefinite period of years, the taxpayer would be paying a substantial subsidy because the cost, over and above tolls would come from general revenues of the United States. These are some of the questions which arise to make this appear like a dubious project at a time when its initiation would only serve to divert critical materials and manpower from the business in hand.

MR. RAINVILLE

ST. LAWRENCE (6/16)

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COMMITTEE ON
RULES AND ADMINISTRATION

June .., 1952

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Dear:

I appreciate your observations with respect to the proposal now pending before the Senate for the construction of the St. Lawrence Seaway. In addition to the original bill, a substitute proposal is also pending for the construction of this project by a special corporation. It has been said that by pursuing this corporate proposal it does not place a charge upon the Federal Treasury. I find, however, from a careful examination of the text of this alternative proposal that the bonds to be issued for the construction of the Seaway would have to be guaranteed by the United States and it, therefore, does become a contingent obligation of the government.

I am not persuaded that the Seaway should be built at this time on the basis of the data submitted and have prepared a substitute under which a commission consisting of experts not identified with the government or any governmental agency would take a year to explore every aspect of this project and then report to the Congress on or before June 30, 1953. I believe that this proposal will find wide acceptance by members of the Senate and I esteem it a far better approach to the problem because the statistical data and estimates now before Congress seem to me to be inadequate and not at all current. In any event, the matter will have thorough-going attention.

Sincerely,

Everett McKinley Dirksen